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## Before The FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of

Implementation of the Cable Television Consumer Protection and Competition Act of 1992

Broadcast Signal Carriage Issues

FEDERAL COMMUNICATIONS COMMISSION

MM Docket No. 92-259

## REPLY OF BELL ATLANTIC1

As other commentors in this proceeding have correctly pointed out,<sup>2</sup> any retransmission consent rules adopted by the Commission must be carefully crafted to ensure that they will not be used by incumbent cable operators or others to limit competition in the video marketplace. In particular, the Commission's rules should forbid the use of practices that will artificially handicap new multichannel video programming distributors in their efforts to compete with cable.

For example, the Commission should expressly provide that exclusive retransmission consent agreements are not permitted, and that competing multichannel distributors are entitled to retransmission terms that are no more onerous than

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The Bell Atlantic telephone companies ("Bell Atlantic") are The Bell Telephone Company of Pennsylvania, the four Chesapeake and Potomac telephone companies, The Diamond State Telephone Company and New Jersey Bell Telephone Company.

See Comments of the Nat'l Private Cable Ass'n, Cable Plus, Maxtel Cablevision, Pacific Cablevision and Stellarvision at 6-13 ("NPCA Comments").

those available to cable operators in the same area.<sup>3</sup> Otherwise, cable operators could use the Commission's rules to obtain an unfair advantage by entering into exclusive agreements that deny competitors access to broadcast programming, or by extracting preferential terms.

In addition, the Commission should make clear that a broadcaster's election to invoke, or not invoke, retransmission consent applies uniformly to all cable systems and other multichannel distributors in the same area. Broadcasters should not be able to selectively invoke their retransmission consent rights, and to demand compensation from some competitors but not others. A broadcaster that elects not to invoke its retransmission consent rights with respect to the incumbent cable operator, for example, should not be able to demand compensation from competing multichannel distributors. This disparate treatment would put these new entrants at a competitive disadvantage, and undermine the efforts of Congress to promote competition in the video marketplace.

NPCA Comments at 8-10, 12.

Id. at 10-11. The Act expressly requires that this election apply uniformly to all cable systems in the same area, 47 U.S.C. § 325(b)(3), and the Commission should make clear that this election also applies to competing multichannel distributors.

See, e.g., H.R. Rep. No. 628, 102d Cong., 2d Sess. at 44 ("steps must be taken to encourage the further development of robust competition in the video marketplace").

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January 19, 1992

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Reply of Bell Atlantic" was served this 19th day of January, 1993, by delivery thereof by first class mail, postage prepaid, to the parties on the attached list.

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